Canada - Nova Scotia Affordable Housing Agreement

Annual Report • September 2004

CMHC SCHL
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NOVA SCOTIA
Community Services

Building strong, healthy communities together

Nova Scotia was the first province in Atlantic Canada to sign an Affordable Housing agreement.

Program Areas

New Rental Housing Initiative

Designed to create new affordable rental units in areas where the population is growing or there is a shortage of housing. It provides up to $25,000 per unit in up-front capital funding and up to $25,000 per unit in rent supplement funding over 10 years.

Rental Housing Preservation Program

Designed to sustain the current supply of affordable rental units in the province by acquiring and rejuvenating existing rental stock that is in poor condition and at risk of being lost. It provides up to $25,000 per unit in up-front capital funding and up to $25,000 per unit in rent supplement funding over 10 years.

New Home Purchase Program

Designed to create a healthy mix of housing by building new modest homes in areas of revitalization. It encourages moderate-income households to remain in the community by providing an average of $30,000 to $40,000 in assistance toward the purchase of one of these homes.

Home Ownership Preservation Program

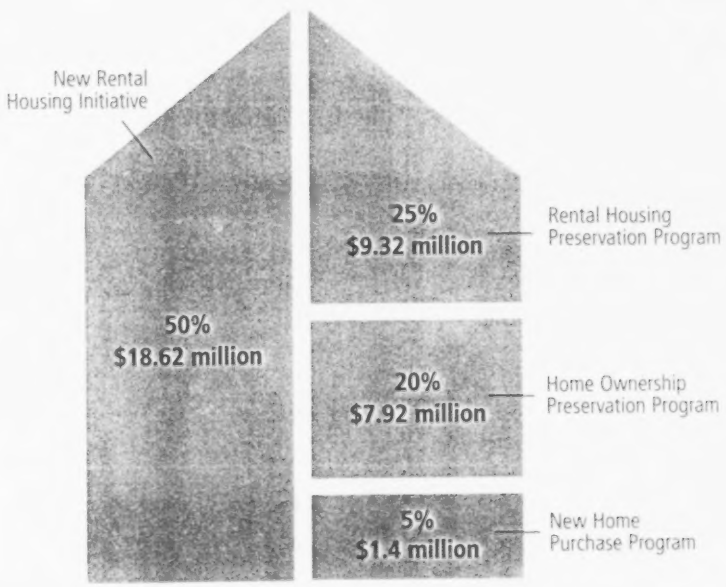
This program prevents the loss of housing stock throughout the province by providing assistance with major repairs or renovations to ensure homes meet minimum health and safety standards. It provides an average of $25,000 to $30,000 in assistance for each household.

Introduction

The Canada-Nova Scotia Affordable Housing agreement was signed on September 13, 2002, by the Minister responsible for Canada Mortgage Housing Corporation and the Minister of Community Services. It marked the first agreement of its kind to be signed in Atlantic Canada.

The purpose of the agreement was to address the need for affordable housing in Nova Scotia. Under the agreement, the Government of Canada and the Province of Nova Scotia each committed to provide $18.63 million in funding to create or renovate 850 to 1,500 units over five years. The combined funding of $37.26 million was to be spread across four program areas: New Rental Housing Initiative, Rental Housing Preservation Program, New Home Purchase Program and Home Ownership Preservation Program.

During the first year of the agreement, the Province held consultations with housing stakeholders across the province to receive their input on what the program should look like. The Province also conducted in-depth research to determine the supply and demand for affordable housing. Once the research was complete and all of the information gathered, the Province finalized the criteria for each of the four program areas and began to roll it out. The result was a made-in-Nova Scotia program that addressed the unique housing needs of the province.



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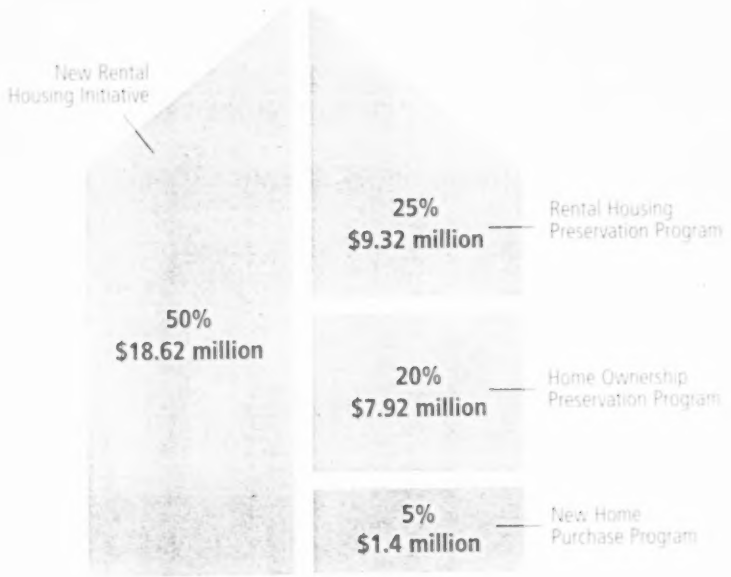

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Program Activity Update

The first project under the new Affordable Housing agreement was announced during the first year of the agreement. A 15-unit townhouse complex was constructed in Middleton under the New Rental Housing Initiative. The Town of Middleton was one of the partners on the $1.3 million project, contributing the first 200 feet of road and services for the land. Today the development provides two- and three-bedroom units – several of which are barrier-free – to seniors in the Annapolis Valley.

*A 15-unit townhouse complex was constructed in Middleton under the **New Rental Housing Initiative***

During the second year of the agreement, several projects were announced:

Under the New Home Purchase program, 6 affordable semi-detached housing units were constructed at a cost of $900,000 in the north end of Halifax. These modest homes will enable moderate-income earners in a designated area of revitalization to move from rental housing to home ownership with the help of a ten-year forgivable loan.

*Under the **New Home Purchase program**, 6 affordable semi-detached housing units were constructed in the north end of Halifax*

Under the Home Ownership Preservation program, $1 million in funding was spent to make extensive repairs to 26 homes throughout the province. With one of the highest rates of home ownership in the country but some of the oldest homes, this program helps bring houses up to current health and safety standards. The result is improved living conditions for low-income families.

Under the New Rental Housing Initiative, a Request for Proposals was issued for up to 200 new rental units throughout the province. To date, four projects – representing 68 units at a total cost of $5.2 million – have been approved, including:

- 24 units for seniors in New Minas
- 24 units for singles, families and seniors in Debert
- 4 accessible units for persons with disabilities in Westville
- 16 units for seniors in Chester

Also this year, $2.4 million is being spent to make extensive repairs to 88 homes across the province. This brings the total number of low-income homeowners assisted under the Home Ownership Preservation Program to 114 and the total investment to date to $3.4 million.

Summary of Program Activity	**2002-03**		**2003-04**		**2004-05 (to date)**		**Totals (to date)**	
Program Area	Units	Cost	Units	Cost	Units	Cost	Total Units	Total Cost
New Rental Housing Initiative	15	$1.3 million	–	–	68	$5.2 million	83	$6.5 million
Rental Housing Preservation Program	–	–	–	–	–	–	–	–
New Home Purchase Program	–	–	6	$900,000	–	–	6	$900,000
Home Ownership Preservation Program	–	–	26	$1 million	88	$2.4 million	114	$3.4 million
Yearly Totals	15	$1.3 million	32	$1.9 million	156	$7.6 million	203	$10.8 million

Summary

The Affordable Housing program in Nova Scotia is well underway. To date, we have announced the construction or renovation of 203 affordable housing units at a total cost of $10.8 million and we anticipate the approval of a further 150 units by year end. At this pace, we expect to reach the targeted number of units and commit all of the combined provincial and federal funding available before the end of the five-year program.

Contact Information

For more information on the Canada - Nova Scotia Affordable Housing agreement, contact one of the following Housing Offices or visit **www.gov.ns.ca/coms**

Cape Breton Region

Sydney: 563-2120

Toll-free: 1 800 567-2135

Central Region

Amherst: 667-1161

New Glasgow: 755-5065

Truro: 893-5999

Toll-free: 1 800 933-2102

Metro Region

Halifax: 424-5110

Toll-free: 1 800 774-5130

Western Region

Bridgewater: 543-7336

Middleton: 825-3481

Toll-free: 1 800 278-2144

A Look Ahead

Over the next year, program activity is expected to remain steady with additional project announcements under the New Rental Housing Initiative and the launch of the Rental Housing Preservation Program. We will continue to work with our housing partners, which include municipalities, non-profit groups and private-sector representatives to identify and develop new affordable housing opportunities. We will also continue to look at ways in which the program can be further refined to help those with the greatest need.

The Affordable Housing program is an important step in addressing the need for affordable housing in Nova Scotia, but it is important to recognize that this program alone will not solve the issue. It will take the combined efforts of all levels of government, the community and individuals to ensure that all Nova Scotians have access to safe, appropriate, affordable and sustainable housing.

Under the Canada-Nova Scotia Affordable Housing agreement, "affordable housing" is defined as housing which is modest in terms of floor area and amenities, based on household needs and community norms, and is priced at or below average market housing rents or prices for comparable housing in a community or area.